

# Strategy execution in large matrix organizations

How can one execute strategy successfully in complex, diverse and international matrix organizations?

Jan Tjurin, March 2024



# Nokia at a glance

B2B technology innovation leader  
pioneering the future where  
networks meet cloud, to realize the  
potential of digital in every  
industry

Unlocking new opportunity for:

- Service providers
- Enterprise, government and defence
- Webscalers
- Technology licensees

€22.6bn

net sales in 2023

155+

years in business

~87k

employees

~130

countries of operation

€140bn+

invested in R&D since 2000

10

Nobel Prizes for  
ground-breaking inventions

# The challenge in large matrix organization

Diverse workforce and MoO: i.e multiple countries and time zones, organization setup variations across different markets, partial overlap of roles

Large company bureaucracy and span of control

Obstacles to be addressed

- How to get buy-in and agree on strategy execution ownerships
- How to get visibility of strategy execution progress
- How to enable timely course-correction

# Rationale, why it's key to get strategy execution right

Strategy on its own right doesn't hold too much value if it won't get implemented across entire matrix organization

Most of the stakes and benefits come through from successful strategy execution

# Elements for successful strategy execution

## Be customer focused

Define strategic goals that are addressing customer value points

## Simplicity

Limit number of key goals to bare minimum

## Secure buy-in

Strong buy-in across entire matrix organization, assign one prime owner

## Allow execution agility

Strategic goals to be at “umbrella” level

## Progress visibility

Ensure visibility for timely course corrections



# Example from Nokia – New technology implementation

Background from early era of 4G cellular network technology

Customer perceived that Nokia's time to implement new technology was taking too much time

Vast majority of the payment received after successful acceptance of the system

Despite several attempts, Nokia wasn't getting sufficient improvements to overall delivery time, but for some sub-items

Visibility of the progress was unclear, several co-owners



# Example from Nokia – New technology implementation

## How issues was addressed differently

### “Umbrella level” aspiration

Improve “Time to implement” for entire end-to-end activity as perceived by the customer

### Concrete target

Clear measurable target, in this case target to reduce “time to implement” by 30% within next 3 years

### Buy-in, one prime

All key stakeholders, across various organizations, sharing the same goal while contributions varied

### Agility on execution

Business owner to manage execution, no micromanagement

### Continuous governance

Progress reported monthly with leadership, allowing timely course correct



# Example from Nokia - New technology implementation

## Outcome

Satisfied customer, as Nokia was able to introduce new technology faster and with improved project schedule adherence

## Benefits to Nokia

Increased productivity, quality and profitability

Improved visibility to strategy execution progress

Improved collaboration binding, let's do it together culture



# Areas for further improvement

How to increase clock speed for addressing growing pace of changes either in internal or external environment.

How to evaluate risks and feasibility of strategic options, especially for domains outside our core competencies

How to find language that is understandable and “translates” strategy in insightful way to employees across organization

# Conclusions

Strategy execution is feasible, while require specific attention, in large matrix organizations

- Be customer focused
- Define only few but measurable goals at “umbrella” level
- Secure strong buy-in across entire matrix organization

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